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CENTRAL DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

Counsel for Plaintiff

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

RANDY ROMERO, INDIVIDUALLY
AND ON BEHALF OF ALL OTHERS
SIMILARLY SITUATED,

Plaintiff,

v.

GROWLIFE, INC., STERLING C.
SCOTT, JOHN GENESI, MARCO
HEGYI, ROB HUNT, ERIC SHEVIN,
ALAN HAMMER, ANTHONY
CIABATTONI, AND JEFF
GIARRAPUTO,

Defendants.

CASE No.: **14-03015-MRP(JEMx)**

CLASS ACTION

**COMPLAINT FOR VIOLATION
OF THE FEDERAL SECURITIES
LAWS**

JURY TRIAL DEMANDED

Plaintiff Randy Romero, individually and on behalf of all other persons similarly situated, by his undersigned attorneys, for his complaint against the defendants, alleges the following based upon personal knowledge as to himself and his own acts, and information and belief as to all other matters, based upon, *inter*

1 *alia*, the investigation conducted by and through his attorneys, which included,
2 among other things, a review of the defendants' public documents, conference calls
3 and announcements made by the defendants, United States Securities and
4 Exchange Commission ("SEC") filings, wire and press releases published by and
5 regarding GrowLife, Inc. ("GrowLife" or the "Company"), securities analysts'
6 reports and advisories about the Company, and information readily obtainable on
7 the Internet. Plaintiff believes that substantial evidentiary support will exist for the
8 allegations set forth herein after a reasonable opportunity for discovery.
9

10 **NATURE OF THE ACTION**

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12
13 1. This is a federal securities class action on behalf of a class consisting
14 of all persons and entities other than the defendants, who purchased the common
15 stock of GrowLife between November 14, 2013 and April 9, 2014, inclusive (the
16 "Class Period"), seeking to recover damages caused by the defendants' violations
17 of federal securities laws (the "Class").
18

19 **JURISDICTION AND VENUE**

20
21 2. The claims asserted herein arise under and pursuant to Sections 10(b)
22 and 20(a) of the Exchange Act (15 U.S.C. § 78j(b) and 78t(a)) and Rule 10b-5
23 promulgated thereunder (17 C.F.R. § 240.10b-5).
24

25 3. This Court has jurisdiction over the subject matter of this action
26 pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. §
27 1331.
28

1 4. Venue is proper in this Judicial District pursuant to Section 27 of the
2 Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1391(b) as a substantial part of
3 the conduct complained of herein occurred in this District.
4

5 5. In connection with the acts, conduct and other wrongs alleged herein,
6 the defendants either directly or indirectly used the means and instrumentalities of
7 interstate commerce, including but not limited to the United States mails, interstate
8 telephone communications and the facilities of the national securities exchange.
9

10 **PARTIES**

11 6. Plaintiff Randy Romero purchased GrowLife common stock during
12 the Class Period as set forth in his certification, filed herewith, and has suffered
13 damages as a result.
14

15 7. GrowLife is a Delaware corporation headquartered in Woodland
16 Hills, California. It designs and manufactures indoor gardening products, such as
17 grow room equipment, LED grow light products for indoor horticulture, mini-
18 greenhouses, and other related products, primarily for the growing of medical
19 marijuana. During the Class Period, GrowLife's common stock was actively traded
20 on OTCQB, under the ticker "PHOT."
21

22 8. Defendant Sterling C. Scott ("Scott") has been the Company's Chief
23 Executive Officer, President, Secretary and a member of its Board of Directors
24 ("Board") since April 2012.
25
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1 9. Defendant John Genesi (“Genesi”) has been the Company’s Chief
2 Financial Officer since July 2013.

3
4 10. Defendant Marco Hegyi (“Hegyi”) has been the Company’s President
5 and a member of its Board since December 2013.

6
7 11. Defendant Rob Hunt (“Hunt”) has been the Company’s Executive
8 Vice Presidents and a member of its board since June 2013.

9 12. Defendant Eric Shevin (“Shevin”) was a member of the Company’s
10 Board from April 2013 until his sudden resignation in April 2014.

11
12 13. Defendant Alan Hammer (“Hammer”) has been a member of the
13 Company’s Board since December 2013.

14 14. Defendant Anthony Ciabattoni (“Ciabattoni”) has been a member of
15 the Company’s Board since December 2013.

16
17 15. Defendant Jeff Giarraputo (“Giarraputo”) has been a member of the
18 Company’s Board since December 2013.

19
20 16. Defendants Scott, Genesi, Hegyi, Hunt, Shevin, Hammer, Ciabattoni,
21 and Giarraputo are collectively referred to hereinafter as the “Individual
22 Defendants.”

23
24 17. Each of the Individual Defendants:

25 (a) directly participated in the management of the Company;
26 (b) was directly involved in the day-to-day operations of the
27 Company at the highest levels;
28

1 (c) was privy to confidential proprietary information concerning
2 the Company and its business and operations;

3 (d) was involved in drafting, producing, reviewing and/or
4 disseminating the false and misleading statements and information alleged herein;

5 (e) was aware of or recklessly disregarded the fact that the false
6 and misleading statements were being issued concerning the Company; and

7 (f) approved or ratified these statements in violation of the federal
8 securities laws.

9 18. As officers, directors and controlling persons of a publicly-held
10 company whose common stock is and was registered with the SEC pursuant to the
11 Exchange Act, and was traded on the OTCQB and governed by the provisions of
12 the federal securities laws, the Individual Defendants each had a duty to
13 disseminate accurate and truthful information promptly with respect to the
14 Company's financial condition and to correct any previously-issued statements that
15 had become materially misleading or untrue to allow the market price of the
16 Company's publicly traded stock to reflect truthful and accurate information.

17 19. GrowLife is liable for the acts of the Individual Defendants and its
18 employees under the doctrine of *respondeat superior* and common law principles
19 of agency as all of the wrongful acts complained of herein were carried out within
20 the scope of their employment with authorization.
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20. The scienter of the Individual Defendants and other employees and agents of the Company is similarly imputed to GrowLife under respondeat superior and agency principles.

ALLEGATIONS OF FALSE STATEMENTS

21. The Class Period begins on November 14, 2013, when GrowLife filed a Form 10-Q for the quarterly period ended September 30, 2013 (“2013 3Q 10-Q”) with the SEC.

22. With regards to the issuance of its common stock for services rendered, the Company stated in its 2013 3Q 10-Q, in relevant parts:

During the nine month period ended September 30, 2013, the Company issued 32,822,333 shares of its common stock for services rendered and wages to its employees. These shares were valued at \$1,173,747 and are detailed as follows:

Shares for Services		
Wages paid to Company employees	\$	238,208
Consulting		566,333
Cannabis.org expenses		29,334
GrowLife Productions expenses		65,000
Public/Investor relations		221,700
Product/inventory acquired		18,172
Board Member compensation		35,000
	<u>\$</u>	<u>1,173,747</u>

[Emphasis added.]

23. However, with regards to Board Member compensation in particular, the Company disclosed a different amount elsewhere in its 2013 3Q 10-Q, stating in relevant parts:

1 During the nine-month period ended September 30, 2013, the
2 Company recorded **\$45,000** in compensation to members of its Board
3 of Directors, all of which was non-cash and paid via the issuance of
4 shares of the Company's common stock.

5 [Emphasis added.]

6 24. The Company further explained in its 2013 3Q 10-Q that it issued 1.0
7 million shares of its common stock to its Board Members as compensation and
8 expensed the issuance at \$0.2 per share, stating in relevant parts:
9

10 On September 30, 2013, the Company issued 1,000,000 shares of its
11 common stock to its two (2) independent members of the Company's
12 Board of Directors. These shares were issued on a non-cash basis and
13 were compensation for services rendered during the April – June 2013
14 period. ***These shares were valued at \$20,000 in the aggregate and
\$0.02 per share.***

15 [Emphasis added.]

16 25. The 2013 3Q 10-Q was signed by Defendants Scott and Genesi.
17 Accompanying the 2013 3Q 10-Q were separately executed Sarbanes-Oxley Act of
18 2002 ("SOX") certifications of Defendants Scott and Genesi falsely attesting to the
19 accuracy of the 2013 3Q 10-Q.
20

21 26. On March 31, 2014, GrowLife filed a Form 10-K for the fiscal year
22 ended December 31, 2013 ("2013 10-K") with the SEC.
23

24 27. With regards to the issuance of its common stock for services, the
25 Company stated in its 2013 10-K, in relevant parts:
26

27 During the twelve month period ended December 31, 2013, the
28 Company issued 44,150,110 shares of its common stock for services

rendered and wages to its employees. These shares were valued at \$1,428,636 and are detailed as follows:

Shares for Services		
Wages paid to Company employees	\$	369,875
Consulting		551,333
Cannabis.org expenses		29,334
GrowLife Productions expenses		65,000
Public/Investor relations		321,700
Product/inventory acquired		18,172
Board Member compensation		73,222
	\$	<u>1,428,636</u>

[Emphasis added.]

28. The Company explained in its 2013 10-K that it issued 10.5 million shares of its common stock to its officers as compensation and expensed the issuance at \$0.1 per share, stating in relevant parts:

In March 2013, the Company issued 2,500,000 shares of its common stock to Sterling Scott, the Company's Chief Executive Officer, as consideration for services provided to the Company. These shares represent an installment due to Mr. Scott in relation to a Board grant from August 2012. The shares were valued at \$25,000 in the aggregate.

In March 2013, the Company issued 2,000,000 shares of its common stock to Justin Manns, the Company's former Chief Financial Officer, a former member of the Company's Board of Directors, and the current Controller of GrowLife Hydroponics, Inc. The shares were issued as consideration for services provided to the Company. These shares represent an installment due to Mr. Manns in relation to a Board grant from August 2012. The shares were valued at \$20,000 in the aggregate.

In November 2013, the Company issued 3,333,333 shares of its common stock to Sterling Scott, the Company's Chief Executive Officer, as consideration for services provided to the Company. These shares represent the final installment due to Mr. Scott in relation to a

1 Board grant from August 2012. *The shares were valued at \$33,333 in*
2 *the aggregate.*

3 *In November 2013, the Company issued 2,666,667 shares of its*
4 *common stock to Justin Manns*, the Company's former Chief
5 Financial Officer, a former member of the Company's Board of
6 Directors, and the current Controller of GrowLife Hydroponics, Inc.
7 The shares were issued as consideration for services provided to the
8 Company. These shares represent the final installment due to Mr.
9 Manns in relation to a Board grant from August 2012. *The shares*
10 *were valued at \$26,667 in the aggregate.*

11 [Emphasis added.]

12 29. The Company explained in its 2013 10-K that it issued approximately
13 3.9 million shares of its common stock to its Board Members as compensation and
14 expensed the issuance at \$0.2 per share, stating in relevant parts:

15 *During the twelve months ended December 31, 2013, the Company*
16 *issued 1,500,000 shares of its common stock to Eric Shevin*, an
17 independent member of the Company's Board of Directors, as
18 consideration for his service as a Board member from April 1, 2013
19 through December 31, 2013. *The shares were valued at \$30,000 in*
20 *the aggregate.*

21 *During the twelve months ended December 31, 2013, the Company*
22 *issued 1,683,333 shares of its common stock to Bob Kurilko*, a
23 former independent member of the Company's Board of Directors, as
24 consideration for his service as a Board member from January 1, 2013
25 through November 2, 2013. *The shares were valued at \$33,667 in the*
26 *aggregate.*

27 *During the twelve months ended December 31, 2013, the Company*
28 *issued 500,000 shares of its common stock to Craig Ellins*, a former
independent member of the Company's Board of Directors, as
consideration for his service as a Board member from January 1, 2013
through March 31, 2013. *The shares were valued at \$10,000 in the*
aggregate.

1 ***On December 31, 2013, the Company issued 83,333 shares of its***
2 ***common stock to Alan Hammer***, an independent member of the
3 Company's Board of Directors, as consideration for his service as a
4 Board member from December 17, 2013 through December 31, 2013.
5 ***The shares were valued at \$1,667 in the aggregate.***

6 ***On December 31, 2013, the Company issued 72,222 shares of its***
7 ***common stock to Anthony Ciabattoni***, an independent member of the
8 Company's Board of Directors, as consideration for his service as a
9 Board member from December 19, 2013 through December 31, 2013.
10 ***The shares were valued at \$1,444 in the aggregate.*** Mr. Ciabattoni's
11 shares have been issued to the Ciabattoni Living Trust, of which Mr.
12 Ciabattoni is the Trustee.

13 ***On December 31, 2013, the Company issued 72,222 shares of its***
14 ***common stock to Jeff Giarraputo***, an independent member of the
15 Company's Board of Directors, as consideration for his service as a
16 Board member from December 19, 2013 through December 31, 2013.
17 ***The shares were valued at \$1,444 in the aggregate.***

18 Commencing in August 2012, outside board members were awarded
19 2,000,000 shares per year which vest quarterly.

20 [Emphasis added.]

21 30. The Company also disclosed under the *Subsequent Events* section in
22 its 2013 10-K that it issued 2.0 million shares of its common stock to its Board
23 Members for services rendered during the first quarter of 2014 and expensed the
24 issuance at \$0.2 per share, stating in relevant parts:

25 ***On March 31, 2014, the Company issued 500,000 shares, 2,000,000***
26 ***shares in the aggregate, to each of its four (4) independent Board***
27 ***members as compensation for their Board service for the January 1,***
28 ***2014 through March 31, 2014 period. The shares were valued at***
 \$0.02 per share and \$40,000 in the aggregate and were issued in
 accordance with an August 2012 Board grant. The four independent
 Board members are Eric Shevin, Alan Hammer, Tony Ciabattoni, and
 Jeff Giarraputo.

[Emphasis added.]

31. The 2013 10-K was signed by Defendants Scott, Genesi, Hegyi, Hunt, Shevin, Hammer, Giarraputo, and Ciabattini. Accompanying the 2013 10-K were separately executed SOX certifications of Defendants Scott and Genesi falsely attesting to the accuracy of the 2013 10-K.

THE TRUTH EMERGES

32. On April 9, 2014, the Company filed a Form 8-K with the SEC announcing the abrupt resignation of Defendant Shevin as a Board Member, which was effective as of April 1, 2014.

33. Following the announcement of Defendant Shevin's resignation, the truth of GrowLife's materially inaccurate SEC filings began to reveal in a piecemeal fashion.

34. On April 10, 2014, only a day after the announcement of Defendant Shevin's resignation, the SEC announced the temporary trading suspension of the Company's stock. The announcement states in relevant parts:

SECURITIES EXCHANGE ACT OF 1934
Release No. 71924 / April 10, 2014

The U.S. Securities and Exchange Commission announced the temporary suspension, pursuant to Section 12(k) of the Securities Exchange Act of 1934 (the "Exchange Act"), of trading of the securities of GrowLife, Inc. ("PHOT"), of Woodland Hills, California at 9:30 a.m. EDT on April 10, 2014, and terminating at 11:59 p.m. EDT on April 24, 2014.

1 The Commission temporarily suspended trading in the securities of
2 PHOT because of *questions that have been raised about the*
3 *accuracy and adequacy of information in the marketplace and*
4 *potentially manipulative transactions in PHOT's common stock.*

5 [Emphasis added.]

6 35. On April 11, 2014, Creative Edge Nutrition, Inc., CEN Biotech and
7 RXNB announced the termination of their agreement with GrowLife in light of the
8 SEC's trading suspension. The announcement states in relevant parts:
9

10 MADISON HEIGHTS, MI--(Marketwired - Apr 11, 2014) - Creative
11 Edge Nutrition, Inc. (OTC Pink: FITX) (PINKSHEETS: FITX), CEN
12 Biotech and RXNB board of directors have decided to rescind the
agreement between CEN Biotech, RXNB, GrowLife and OGI.

13 The Company has learned today that the U.S. Securities and Exchange
14 Commission has suspended trading in the securities of GrowLife due
15 to questions that have been raised about the accuracy and adequacy of
16 information in the marketplace and potentially manipulative
17 transactions in GrowLife's common stock. In light of this
18 development and other contributing factors, RXNB and CEN Biotech
19 have advised the CEO of GrowLife and the Board of OGI that both
20 the RXNB Agreement and the CEN Biotech Agreement, and any and
21 all amendments to those agreements, are rescinded, void and of no
22 further force and effect.

23 36. On that same day, analyst Rolling O Research published a report
24 revealing inaccuracies with the Company's SEC filings, stating in relevant parts:

25 [L]et's just look at the three December 31, 2013 payments to the three
26 newest directors, Hammer, Ciabattini and Giarraputo. *They were*
27 *awarded a total of 227,777 shares, which the company valued at*
28 *\$4,555 for expense purposes. Yet, at the December 31 closing price*
of \$0.151, those shares should have resulted in a charge of \$34,394.
For these three directors alone, it appears that PHOT is
understating its expenses by nearly \$30 thousand.

1 Looking at the Subsequent Event "future charges" shown above, the
2 understatement would be even more astounding, due to the increase in
3 PHOT's stock price during the quarter (assuming this is not corrected
4 in the 10-Q for 1Q/14). ***On March 31, 2014, PHOT closed at***
5 ***\$0.5795. Therefore, the 500 thousand share payments to each of the***
6 ***four directors, while being listed by Growlife as \$40 thousand***
7 ***expense (at \$0.02), should be recorded as a \$1.159 million charge.***
8 ***That's a difference of \$1.1M!***

9 [Emphasis added.]

10 37. To date, trading in the Company's stock remains halted, making the
11 Company's stock illiquid and virtually worthless.

12 LOSS CAUSATION/ECONOMIC LOSS

13 38. During the Class Period, the Individual Defendants engaged in a
14 scheme to deceive the market and a course of conduct that artificially inflated
15 GrowLife's stock price and operated as a fraud or deceit on purchasers of
16 GrowLife stock by misrepresenting the Company's business. Once the Individual
17 Defendants' misrepresentations and fraudulent conduct were disclosed to the
18 market, GrowLife's stock price reacted negatively as the artificial inflation was
19 removed from it. As a result of their purchases of GrowLife stock during the Class
20 Period, Plaintiff and other members of the Class suffered economic loss.

21 39. The Individual Defendants' false and misleading statements had the
22 intended effect and caused GrowLife stock to trade at artificially inflated levels
23 throughout the Class Period.
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1 40. As investors and the market became aware of GrowLife's prior
2 misstatements and omissions and that GrowLife's actual financial condition and
3 business prospects were, in fact, not as represented, GrowLife's stock price reacted
4 negatively, damaging investors.
5

6 **Applicability of Presumption of Reliance:**
7 **Fraud-on-the-Market Doctrine**

8 41. At all relevant times, the market for GrowLife's common stock was
9 an efficient market for the following reasons, among others:
10

11 (a) GrowLife's stock met the requirements for listing, and was
12 listed and actively traded on the OTCQB, a highly efficient and automated
13 markets;
14

15 (b) During the class period, millions of shares of GrowLife's stock
16 were traded on a weekly basis on average, demonstrating a very strong
17 presumption of an efficient market;
18

19 (c) As a regulated issuer, GrowLife filed with the SEC periodic
20 reports during the Class Period;
21

22 (d) GrowLife regularly communicated with public investors via
23 established market communication mechanisms, including regular disseminations
24 of press releases on the national circuits of major newswire services and other
25 wide-ranging public disclosures, such as communications with the financial press
26 and other similar reporting services;
27
28

1 (e) GrowLife was followed by securities analysts who wrote
2 reports that were distributed during the Class Period. Each of these reports was
3 publicly available and entered the public marketplace;
4

5 (f) Numerous FINRA member firms were active market-makers in
6 GrowLife stock at all times during the Class Period; and
7

8 (g) Unexpected material news about GrowLife was rapidly
9 reflected in and incorporated into the Company's stock price during the Class
10 Period.
11

12 42. As a result of the foregoing, the market for GrowLife's common stock
13 promptly digested current information regarding GrowLife from all publicly
14 available sources and reflected such information in GrowLife's stock price. Under
15 these circumstances, all purchasers of GrowLife's common stock during the Class
16 Period suffered similar injury through their purchase of GrowLife's common stock
17 at artificially inflated prices, and a presumption of reliance applies.
18
19

20 **PLAINTIFF'S CLASS ACTION ALLEGATIONS**

21 43. Plaintiff brings this action as a class action pursuant to Federal Rule of
22 Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all persons who
23 purchased the common stock of GrowLife during the Class Period and who were
24 damaged thereby. Excluded from the Class are the defendants, the current and
25 former officers and directors of the Company, members of their immediate
26
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1 families and their legal representatives, heirs, successors or assigns and any entity
2 in which the defendants have or had a controlling interest.

3
4 44. The members of the Class are so numerous that joinder of all
5 members is impracticable. Throughout the Class Period, GrowLife's common
6 stock was actively traded on the OTCQB. While the exact number of Class
7 members is unknown to Plaintiff at this time and can only be ascertained through
8 appropriate discovery. Plaintiff believes that there are at least hundreds of
9 members in the proposed Class. Members of the Class may be identified from
10 records maintained by GrowLife or its transfer agent and may be notified of the
11 pendency of this action by mail, using a form of notice customarily used in
12 securities class actions.

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16 45. Plaintiff's claims are typical of the claims of the members of the
17 Class, as all members of the Class are similarly affected by the defendants'
18 wrongful conduct in violation of federal law that is complained of herein.

19
20 46. Plaintiff will fairly and adequately protect the interests of the
21 members of the Class and have retained counsel competent and experienced in
22 class and securities litigation.

23
24 47. Common questions of law and fact exist as to all members of the
25 Class and predominate over any questions solely affecting individual members of
26 the Class. Among the questions of law and fact common to the Class are:
27
28

1 (a) whether the federal securities laws were violated by the defendants'
2 acts as alleged herein;

3
4 (b) whether the misstatements and omissions alleged herein were made
5 with scienter;

6 (c) whether statements made by the Individual Defendants to the
7 investing public during the Class Period misrepresented and/or omitted material
8 facts about the business, prospects, and operations of GrowLife; and

9
10 (d) to what extent the members of the Class have sustained damages and
11 the proper measure of damages.
12

13 48. A class action is superior to all other available methods for the fair
14 and efficient adjudication of this controversy since joinder of all members is
15 impracticable. Furthermore, as the damages suffered by individual Class members
16 may be relatively small, the expense and burden of individual litigation make it
17 impossible for members of the Class to redress individually the wrongs done to
18 them. There will be no difficulty in the management of this action as a class action.
19
20

21 **FIRST CLAIM**

22 **Violation of Section 10(b) of The Exchange Act and Rule 10b-5**
23 **Promulgated Thereunder Against All The Defendants**

24 49. Plaintiff repeats and realleges each and every allegation contained
25 above as if fully set forth herein.
26

27 50. This First Claim is asserted against Defendant GrowLife, and the
28 Individual Defendants.

1 51. During the Class Period, the defendants carried out a plan, scheme
2 and course of conduct which was intended to, and throughout the Class Period, did:
3 (1) deceive the investing public, including Plaintiff and other Class members, as
4 alleged herein; and (2) cause Plaintiff and other members of the Class to purchase
5 and/or sell GrowLife common stock at artificially inflated and distorted prices. In
6 furtherance of this unlawful scheme, plan and course of conduct, the defendants,
7 individually and as a group, took the actions set forth herein.
8

9
10 52. The defendants, individually and in concert, directly and indirectly, by
11 the use, means or instrumentalities of interstate commerce and/or of the mails,
12 engaged and participated in a continuous course of conduct to conceal adverse
13 material information about the business, operations and future prospects of
14 GrowLife as specified herein.
15

16
17 53. The defendants employed devices, schemes and artifices to defraud,
18 while in possession of material, adverse non-public information and engaged in
19 acts, practices, and a course of conduct as alleged herein in an effort to assure
20 investors of GrowLife's value and performance and continued substantial growth,
21 which included the making of, or the participation in the making of, untrue
22 statements of material facts and omitting to state material facts necessary in order
23 to make the statements made about GrowLife and its business operations and
24 future prospects in light of the circumstances under which they were made, not
25 misleading, as set forth more particularly herein, and engaged in transactions,
26
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1 practices and a course of business that operated as a fraud and deceit upon the
2 purchasers of GrowLife's common stock during the Class Period.

3
4 54. Each of the defendants' primary liability, and controlling person
5 liability, arises from the following facts: (1) the defendants were high-level
6 executives, directors, and/or agents at the Company during the Class Period and
7 members of the Company's management team or had control thereof; (2) each of
8 the defendants, by virtue of his responsibilities and activities as a senior officer
9 and/or director of the Company, was privy to and participated in the creation,
10 development and reporting of the Company's financial condition; (3) each of the
11 defendants enjoyed significant personal contact and familiarity with the other
12 defendants and was advised of and had access to other members of the Company's
13 management team, internal reports, and other data and information about the
14 Company's finances, operations, and sales at all relevant times; (4) each of the
15 defendants was aware of the Company's dissemination of information to the
16 investing public that they knew or recklessly disregarded was materially false and
17 misleading; and (5) each of the defendants culpably participated in the wrongful
18 conduct alleged herein.

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24 55. The defendants had actual knowledge of the misrepresentations and
25 omissions of material facts set forth herein, or acted with reckless disregard for the
26 truth in that they failed to ascertain and to disclose such facts, even though such
27 facts were available to them. Such defendants' material misrepresentations and/or
28

1 omissions were done knowingly or recklessly and for the purpose and effect of
2 concealing GrowLife's financial condition and future business prospects from the
3 investing public and supporting the artificially inflated or distorted price of its
4 common stock. As demonstrated by the defendants' overstatements and
5 misstatements of the Company's financial condition and business prospects
6 throughout the Class Period, the defendants, if they did not have actual knowledge
7 of the misrepresentations and omissions alleged, were reckless in failing to obtain
8 such knowledge by deliberately refraining from taking those steps necessary to
9 discover whether those statements were false or misleading.

13 56. As a result of the dissemination of the materially false and misleading
14 information and failure to disclose material facts, as set forth above, the market
15 price for GrowLife's common stock was artificially inflated during the Class
16 Period. In ignorance of the fact that market prices of GrowLife's publicly-traded
17 common stock were artificially inflated or distorted, and relying directly or
18 indirectly on the false and misleading statements made by the defendants, or upon
19 the integrity of the market in which the Company's common stock trade, and/or on
20 the absence of material adverse information that was known to or recklessly
21 disregarded by the defendants but not disclosed in public statements by the
22 defendants during the Class Period, Plaintiff and the other members of the Class
23 acquired and/or sold GrowLife common stock during the Class Period at
24 artificially high prices and were damaged thereby.

57. At the time of said misrepresentations and omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding GrowLife's financial results, which were not disclosed by the defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired GrowLife common stock, or, if they had acquired such common stock during the Class Period, they would not have done so at the artificially inflated prices or distorted prices at which they did.

58. By virtue of the foregoing, the defendants have violated Section 10(b) of the Exchange Act, and Rule 10b-5 promulgated thereunder.

59. As a direct and proximate result of the defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's common stock during the Class Period.

60. This action was filed within two years of discovery of the fraud and within five years of Plaintiff's purchases of securities giving rise to the cause of action.

SECOND CLAIM

Violation Of Section 20(a) of The Exchange Act Against the Individual Defendants

61. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

1 62. This Second Claim is asserted against each of the Individual
2 Defendants.

3
4 63. The Individual Defendants acted as controlling persons of GrowLife
5 within the meaning of Section 20(a) of the Exchange Act as alleged herein. By
6 virtue of their high-level positions, agency, and their ownership and contractual
7 rights, participation in and/or awareness of the Company's operations and/or
8 intimate knowledge of aspects of the Company's revenues and earnings and
9 dissemination of information to the investing public, the Individual Defendants had
10 the power to influence and control, and did influence and control, directly or
11 indirectly, the decision-making of the Company, including the content and
12 dissemination of the various statements that Plaintiff contends are false and
13 misleading. The Individual Defendants were provided with or had unlimited access
14 to copies of the Company's reports, press releases, public filings and other
15 statements alleged by Plaintiff to be misleading prior to and/or shortly after these
16 statements were issued, and had the ability to prevent the issuance of the
17 statements or to cause the statements to be corrected.

18
19 64. In particular, each of these defendants had direct and supervisory
20 involvement in the day-to-day operations of the Company and, therefore, is
21 presumed to have had the power to control or influence the particular transactions
22 giving rise to the securities violations as alleged herein, and exercised the same.
23
24
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28

1 65. As set forth above, GrowLife violated Section 10(b) and Rule 10b-5.
2
3 By virtue of their positions as controlling persons, the Individual Defendants are
4 liable pursuant to Section 20(a) of the Exchange Act as they culpably participated
5 in the fraud alleged herein. As a direct and proximate result of the defendants'
6 wrongful conduct, Plaintiff and other members of the Class suffered damages in
7 connection with their purchases of the Company's common stock during the Class
8 Period.
9

10 66. This action was filed within two years of discovery of the fraud and
11 within five years of each plaintiff's purchases of securities giving rise to the cause
12 of action.
13

14 **WHEREFORE**, Plaintiff prays for relief and judgment, as follows:
15

16 (a) Determining that this action is a proper class action, designating
17 Plaintiff as class representative under Rule 23 of the Federal Rules of Civil
18 Procedure and Plaintiff's counsel as Class Counsel;
19

20 (b) Awarding compensatory damages in favor of Plaintiff and the
21 other Class members against all the defendants, jointly and severally, for all
22 damages sustained as a result of the defendants' wrongdoing, in an amount to be
23 proven at trial, including interest thereon;
24

25 (c) Awarding Plaintiff and the Class their reasonable costs and
26 expenses incurred in this action, including counsel fees and expert fees; and
27
28

1 (d) Such other and further relief as the Court may deem just and
2 proper.
3

4 **JURY TRIAL DEMANDED**

5 Plaintiff hereby demands a trial by jury.

6 Dated: April 18, 2014

Respectfully submitted,

7
8 **THE ROSEN LAW FIRM, P.A.**

9
10 

11
12 Laurence M. Rosen, Esq. (SBN 219683)
13 THE ROSEN LAW FIRM, P.A.
14 355 South Grand Avenue, Suite 2450
15 Los Angeles, CA 90071
16 Telephone: (213) 785-2610
Facsimile: (213) 226-4684
Email: lrosen@rosenlegal.com

17 Counsel for Plaintiff
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19
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26
27
28

COPY

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

I. (a) PLAINTIFFS (Check box if you are representing yourself <input type="checkbox"/>) RANDY ROMERO, INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED,	DEFENDANTS (Check box if you are representing yourself <input type="checkbox"/>) SEE ATTACHED
(b) County of Residence of First Listed Plaintiff <u>ADAMS</u> (EXCEPT IN U.S. PLAINTIFF CASES)	County of Residence of First Listed Defendant <u>LOS ANGELES</u> (IN U.S. PLAINTIFF CASES ONLY)
(c) Attorneys (Firm Name, Address and Telephone Number) If you are representing yourself, provide the same information. The Rosen Law Firm, P.A. 355 S. Grand Avenue, Suite 2450 Los Angeles, CA 90071 Tel: (213) 785-2610	Attorneys (Firm Name, Address and Telephone Number) , If you are representing yourself, provide the same information.

II. BASIS OF JURISDICTION (Place an X in one box only.) <div style="display: flex; justify-content: space-between;"> <div style="width:48%;"> <input type="checkbox"/> 1. U.S. Government Plaintiff </div> <div style="width:48%;"> <input checked="" type="checkbox"/> 3. Federal Question (U.S. Government Not a Party) </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width:48%;"> <input type="checkbox"/> 2. U.S. Government Defendant </div> <div style="width:48%;"> <input type="checkbox"/> 4. Diversity (Indicate Citizenship of Parties in Item III) </div> </div>	III. CITIZENSHIP OF PRINCIPAL PARTIES -For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant) <table style="width:100%; border: none;"> <tr> <td style="width:33%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> <td style="width:47%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business in this State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
	PTF	DEF		PTF	DEF																				
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4																				
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5																				
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

IV. ORIGIN (Place an X in one box only.) <div style="display: flex; justify-content: space-between;"> <div style="width:33%;"> <input checked="" type="checkbox"/> 1. Original Proceeding </div> <div style="width:33%;"> <input type="checkbox"/> 2. Removed from State Court </div> <div style="width:33%;"> <input type="checkbox"/> 3. Remanded from Appellate Court </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="width:33%;"> <input type="checkbox"/> 4. Reinstated or Reopened </div> <div style="width:33%;"> <input type="checkbox"/> 5. Transferred from Another District (Specify) </div> <div style="width:33%;"> <input type="checkbox"/> 6. Multi-District Litigation </div> </div>
--

V. REQUESTED IN COMPLAINT: JURY DEMAND: ☒ Yes ☐ No (Check "Yes" only if demanded in complaint.)

CLASS ACTION under F.R.Cv.P. 23: ☒ Yes ☐ No ☐ MONEY DEMANDED IN COMPLAINT: \$

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)
 Securities Class Action pursuant to 15 U.S.C. § 78j(b) and 78t(a), Rule 10b-5, and 17 C.F.R. § 240.10b-5

VII. NATURE OF SUIT (Place an X in one box only.)

OTHER STATUTES <input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/Etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced & Corrupt Org. <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Admin. Procedures Act/Review of Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes	CONTRACT <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Vet.) <input type="checkbox"/> 153 Recovery of Overpayment of Vet. Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment	REAL PROPERTY CONT. <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property TORTS PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions TORTS PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth In Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability BANKRUPTCY <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 American with Disabilities-Employment <input type="checkbox"/> 446 American with Disabilities-Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee Conditions of Confinement FORFEITURE/PENALTY <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Ret. Inc. Security Act	PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405 (g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405 (g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
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FOR OFFICE USE ONLY:

Case Number:

CV-71 (11/13)

CIVIL COVER SHEET

Page 1 of 3

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET**

VIII. VENUE: Your answers to the questions below will determine the division of the Court to which this case will most likely be initially assigned. This initial assignment is subject to change, in accordance with the Court's General Orders, upon review by the Court of your Complaint or Notice of Removal.

Question A: Was this case removed from state court?	STATE CASE WAS PENDING IN THE COUNTY OF	INITIAL DIVISION IN CACD IS
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "no," go to Question B. If "yes," check the box to the right that applies, enter the corresponding division in response to Question D, below, and skip to Section IX.	<input type="checkbox"/> Los Angeles	Western
	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo	Western
	<input type="checkbox"/> Orange	Southern
	<input type="checkbox"/> Riverside or San Bernardino	Eastern

Question B: Is the United States, or one of its agencies or employees, a party to this action?	If the United States, or one of its agencies or employees is a party, is it:		INITIAL DIVISION IN CACD IS
	A PLAINTIFF	A DEFENDANT	
	Then check the box below for the county in which the majority of DEFENDANTS reside.	Then check the box below for the county in which the majority of PLAINTIFFS reside.	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "no," go to Question C. If "yes," check the box to the right that applies, enter the corresponding division in response to Question D, below, and skip to Section IX.	<input type="checkbox"/> Los Angeles	<input type="checkbox"/> Los Angeles	Western
	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo	Western
	<input type="checkbox"/> Orange	<input type="checkbox"/> Orange	Southern
	<input type="checkbox"/> Riverside or San Bernardino	<input type="checkbox"/> Riverside or San Bernardino	Eastern
	<input type="checkbox"/> Other	<input type="checkbox"/> Other	Western

Question C: Location of plaintiffs, defendants, and claims? (Make only one selection per row)	A Los Angeles County	B Ventura, Santa Barbara, or San Luis Obispo Counties	C Orange County	D Riverside or San Bernardino Counties	E Outside the Central District of California	F Other
Indicate the location in which a majority of plaintiffs reside:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Indicate the location in which a majority of defendants reside:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indicate the location in which a majority of claims arose:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.1. Is either of the following true? If so, check the one that applies: <input type="checkbox"/> 2 or more answers in Column C <input type="checkbox"/> only 1 answer in Column C and no answers in Column D Your case will initially be assigned to the SOUTHERN DIVISION. Enter "Southern" in response to Question D, below. If none applies, answer question C.2 to the right. →	C.2. Is either of the following true? If so, check the one that applies: <input type="checkbox"/> 2 or more answers in Column D <input type="checkbox"/> only 1 answer in Column D and no answers in Column C Your case will initially be assigned to the EASTERN DIVISION. Enter "Eastern" in response to Question D, below. If none applies, go to the box below. ↓
Your case will initially be assigned to the WESTERN DIVISION. Enter "Western" in response to Question D below.	

Question D: Initial Division?	INITIAL DIVISION IN CACD
Enter the initial division determined by Question A, B, or C above: →	WESTERN

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET**

IX(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed? ☒ NO ☐ YES

If yes, list case number(s): _____

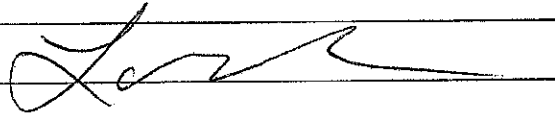
IX(b). RELATED CASES: Have any cases been previously filed in this court that are related to the present case? ☒ NO ☐ YES

If yes, list case number(s): _____

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) ☐ A. Arise from the same or closely related transactions, happenings, or events; or
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or
☐ C. For other reasons would entail substantial duplication of labor if heard by different judges; or
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**X. SIGNATURE OF ATTORNEY
(OR SELF-REPRESENTED LITIGANT):**



DATE:

4/17/14

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet).

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405 (g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))

ORIGINAL

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Central District of California

RANDY ROMERO, INDIVIDUALLY
AND ON BEHALF OF ALL OTHERS
SIMILARLY SITUATED,

Plaintiff(s)

v.

SEE ATTACHED

Defendant(s)

Civil Action No.

CV14-03015-MRP(JEMx)

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)*

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

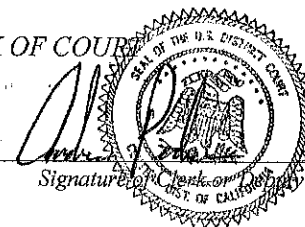
The Rosen Law Firm, P.A.
355 S. Grand Avenue, Suite 2450
Los Angeles, CA 90071
Tel: (213) 785-2610
Fax: (213) 226-4684

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

Date:

4/18/2014

CLERK OF COURT



Signature of Clerk or Deputy Clerk

1202

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

NOTICE OF ASSIGNMENT TO UNITED STATES JUDGES

This case has been assigned to District Judge Mariana R. Pfaelzer and to
Magistrate Judge John E. McDermott.

The case number on all documents filed with the Court should read as follows:

2:14-cv-03015-MRP(JEMx)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the assigned Magistrate Judge has been designated to hear discovery-related motions. The United States District Judge assigned to this case will review all filed discovery motions and thereafter, on a case-by-case or motion-by-motion basis, may refer discovery-related motions to the Magistrate Judge for hearing and determination.

Clerk, U. S. District Court

April 18, 2014

Date

By APEDRO
Deputy Clerk

ATTENTION

A copy of this Notice must be served on all parties served with the Summons and Complaint (or, in cases removed from state court, on all parties served with the Notice of Removal) by the party who filed the Complaint (or Notice of Removal).

GROWLIFE, INC., STERLING C.
SCOTT, JOHN GENESI, MARCO
HEGYI, ROB HUNT, ERIC SHEVIN,
ALAN HAMMER, ANTHONY
CIABATTONI, AND JEFF
GIARRAPUTO,

Defendants.